

Directive No. 102

**QUARTERLY FINANCIAL STATEMENTS -  
ALL APPROVED UNAUTHORIZED (SURPLUS LINES)  
PROPERTY AND CASUALTY INSURERS**

February 25, 1991

Notice is hereby given to all approved unauthorized (surplus lines) property and casualty insurers that the Louisiana Department of Insurance intends to apply Act No. 881 of the Louisiana Legislature Regular Session 1990 as follows:

Upon receipt of each insurer's quarterly financial statement, the financial solvency division of the insurance department shall compute the insurer's ratio of actual or projected annual net premiums to current surplus as to policyholders. If such ratio exceeds four to one (4 to 1), the financial solvency division may request the Commissioner to order the insurer to show cause in a hearing why it should not be found to be operating in a hazardous financial condition. If such hearing having been conducted and the finding of hazardous operation having been determined, the Commissioner may suspend the approval of such insurer to operate until such time as the insurer shall have provided evidence to the financial solvency division that the ratio does not exceed four to one (4 to 1).

The effective date of this directive shall be April 1, 1991.

Douglas D. Green  
COMMISSIONER OF INSURANCE

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